

**THE RHODE ISLAND CONVENTION CENTER AUTHORITY 346th
MEETING OF THE BOARD OF COMMISSIONERS December 23, 2010**

A meeting of the Board of Commissioners of the Rhode Island Convention Center Authority (hereinafter referred to as "Authority", the "CCA" or the "Board") was held on December 23, 2010 at 9:00 a.m. pursuant to notice, at the Rhode Island Convention Center Boardroom, One Sabin Street, Providence, Rhode Island.

Board members present were Chairman, David Duffy, Commissioners, Paul MacDonald, Jeff Hirsh, Bernie Buonanno, Dale Venturini, Patrick Butler, William Daugherty and Jason Fowler.

Mr. Gavitt, Ms. Carter and Mr. Nee were unable to attend.

Also present were James P. McCarvill, Executive Director, Betty Sullivan, Ken Mancuso and Kim Keough, Rhode Island Convention Center Authority; Tim Muldoon, Debbie Tuton, and Howard Allen, Convention Center; Robert Cappalli, Eleanor SanAntonio and Cheryl Cohen, Dunkin' Donuts Center; Steve Habl, VMA; Lynn Singleton, PFM; Michael Abbott, Newport Collaborative; Martha Sheridan, PWCVB; Bruce Leach, Legal Counsel; Matthew Harvey, Senate Fiscal Office; Joseph Solomon, House Policy Office; Haley Butler, Guest and Eileen Smith, Recording Secretary.

Mr. Duffy called the meeting to order at 9:02 AM

Mr. Duffy expressed the condolences of the Board to Mr. Lepore upon

the passing of his mother. Mr. Duffy commented that the past few months have been difficult for many of our friends and associates.

APPROVAL OF MINUTES

Mr. Duffy entertained a motion to accept and approve the minutes of the 345th meeting, November, 2010. Upon a motion duly made by Mr. Butler and seconded by Mr. MacDonald it was unanimously VOTED: to approve the minutes as distributed

Mr. Duffy noted the inclusion of the 2011 meeting schedule in the package distributed today.

Mr. Duffy asked Mr. McCarvill to present the financial information. Mr. McCarvill was pleased to report that net income for the VMA for the month of November was \$6,523 to budget and \$59,215 to the prior November. Year to date net income variance was \$39,922 to budget and \$57,626 to the prior year. Mr. McCarvill noted that our nonprofit art tenants continue to hold their own in this difficult economy when many have disbanded. Mr. McCarvill reported the Convention Center net income for November was (\$255,527) to budget and (\$94,133) to the prior year. Mr. McCarvill reported that the Convention Center year to date net income was (\$138,418) to budget and (\$403,126) to the prior year. Mr. McCarvill reported that the negative variance was due events that did not take place as expected. Mr. McCarvill also noted that the comparison is to a very strong 2009. Mr. McCarvill stated that the Dunkin' Donuts Center net income for the month of

November (\$178,569) to budget and (\$217,710) to the prior year. Year to date net income was (104,510) to budget and (\$654,012) to the prior year. Mr. McCarvill noted that the only events in November were Providence Bruins Hockey and Providence College Basketball. Mr. McCarvill stated that attendance for PC Basketball has been lower than expected. Mr. McCarvill reported that the Authority net income for November was \$11,795 to budget and \$55,578 to the prior year. For the year, net income for the Authority was (\$40,527) to budget and (\$1,505,301) to last year. Mr. Duffy again commented that \$1.5 million of the negative variance was attributable to the amount received from the State last year that was not received this year. Mr. McCarvill stated that consolidated net income for the month of November was (\$415,778) to budget and (\$197,050) to the prior year. Year to date consolidated net income was (\$243,534) to budget and (\$2,504,801) to the prior year.

DUNKIN' DONUTS CENTER

Mr. Lepore reported a disappointing month but noted that ticket sales are down everywhere and in all venues. Mr. Lepore reported that his staff and SMG continue to look for co-promote opportunities. He noted that we have secured a Hip Hop Show in December and that four additional proposals have been submitted. Mr. Lepore reported that Furthur was lost to Live Nation at TD Garden. Mr. Duffy asked if Mr. Lepore could see any light. Mr. Lepore said that right now

Manchester has 5 or 6 shows booked while in the past they would have 19 or 20. He said that even Mohegan Sun is down. Mr. Duffy asked where the entertainers going. Mr. Lepore said that no one exciting is touring right now. Mr. Lepore said that he is looking at Cirque in July and that a Michael Jackson show is a possibility. Mr. Lepore said that he would continue to look for opportunities. Mr. Buonanno asked if the P. Bruins attendance is down. Mr. Lepore said that he is not concerned about the Bruins right now. He said that they are drawing well. Mr. Lepore said that he is more concerned with PC. He said that if they continue to win attendance will pick up. Mr. Butler noted that he has heard complaints about purchasing tickets for PC games. He said that he had been told that tickets to PC vs URI were only available if you purchased tickets for another game. Mr. Lepore noted that it has always been that way. He said that PC does not do a good job when it comes to ticket sales. Mr. Duffy said that he would meet with the Athletic Director if necessary.

Mr. Lepore reported that the marquee would be installed in January. He said that the signage for the back of the building will require a cat walk. Mr. Lepore also reported that Bob Lauro has been the contact person for the Public Art. He said that we still have some safety concerns that we hope can be addressed soon.

CONVENTION CENTER COMMITTEE

Mr. Duffy informed the Board that he along with Mr. McCarvill and Mr. Procaccanti had met with the Mayor elect regarding the Fogarty Building. He said that Providence is coming back with Curt Shilling's company, talk of Hasbro moving into the former Blue Cross Building and talk of URI expansion more parking will be necessary. Mr. Duffy said that we wanted to see if the mayor elect would support doing something with the Fogarty Building. Mr. Duffy said that the building has been vacant for seven years and that this was only a preliminary meeting to gauge the Mayor elect's reception of the idea. Mr. Fowler asked if we could be sure that if we build a new garage we could get parkers. Mr. Duffy said that if the City comes back to life more parking will be necessary. He noted that the garage at the Train Station was unsafe and unusable and with the new 38 Studios and Hasbro it might be a good opportunity for us. Mr. McCarvill noted that we had looked into the possibility several years ago but the price was much too high. Mr. Duffy said that it was a good meeting with the Mayor elect and that he is very supportive of our facilities.

Mr. Muldoon reported that the Fine Furnishings Show had increased attendance this year and the show organizers were very pleased. Mr. Muldoon also noted increased attendance for Roller Derby. He said that he is hopeful that this is a sign of improvement for all upcoming public shows. Mr. Muldoon reported that a Citizens event that the Convention Center was hoping for will not happen here. Citizens decided to hold their event at another facility out of state. Mr. Muldoon noted that the Convention Center continues to pace well and

the staff is working hard to close pieces of business.

Mr. Muldoon reported that the retro fitting of the lighting has been completed. He was pleased to note that a National Grid energy audit had identified an additional \$49,000 in rebates.

Mr. Butler told the Board of an incident following the Beer Fest. He said that while attempting to assist a couple to locate their car there was a commotion caused by someone that appeared to have had too much to drink. The gentlemen was causing a scene and upsetting the couple trying to locate their car. Mr. Butler said that Bob Sepe had the situation under control very quickly. Mr. Butler said it was great to see the rapid response from our security staff.

Mr. Hahl reported on the VMA. He noted that the theater has 117 events have been confirmed for this year. Mr. Hahl noted that the building will go off line in June following graduations. Mr. Hahl stated that renovations will take place during the Summer.

Mr. McCarvill reported that the contract with Newport Collaborative has been signed and Mr. Abbott has already begun work on the project. Mr. McCarvill noted that we had issued an RFP for Pre-Construction Manager. He said that four responses were received and that the lowest bidder was Dimeo Construction. Mr. McCarvill stated that Dimeo's bid was \$19,800 for 325 hours of pre-construction consulting. Mr. McCarvill explained that because it

is a State building and under \$25 million we cannot use a Construction Manager. He said that a pre-construction manager to work with Newport Collaborative on a schedule and renovation plan would be helpful. Mr. McCarvill reported that during an interview with Dimeo they had agreed to cap their fee at the amount bid.

Ms. Keough distributed a draft version of the Annual Report. Mr. MacDonald suggested that the picture of the VMA on the cover be cropped to show only the theater and not include the hotel. Ms. Keough reported that what she distributed was to get the Board's input before it went to final print and that the colors would be more vivid in the final version. She thanked Mr. MacDonald for his suggestion. Ms. Keough stated that the roll out for the new VETS logo is being planned for March. Ms. Keough also stated that had taken aerial and land photos of the buildings and will share them with the Authority. Ms. Keough reported that attendance for the Fine Furnishing show was up significantly over last year. Mr. Muldoon thanked Ms. Keough for assisting with publicizing the show. He said that the show was struggling and needed a boost.

Marketing

Ms. Sheridan was pleased to report that hotel occupancy is up. She noted that we had a very strong October. Mr. MacDonald stated that a recent news story indicated that room rates for the area should be higher. Ms. Sheridan stated that Rachel Roginski, a consultant that

we have dealt with in the past suggests that we need to raise rates slowly. Discussions ensued regarding rates and their impact on travel and meetings and conventions.

Mr. Schriever said that he had met with Mr. McGinn to plan for future events and to discuss target groups. Mr. Schriever stated that they are working on a regional event for Easter Weekend in 2012. Mr. Schriever noted that the CVB would like to expand their Ambassador program to include the Nurses Alliance and Lifespan. He reported that our partners at Brown University have been very helpful in bringing meetings to the City.

Mr. McCarvill updated the Board on contract negotiations with SMG. He stated that the scoreboard agreement had been amended saving the Authority \$10,000 per month. Mr. McCarvill said that the benchmarks have been raised for bonuses. He also stated that the non-compete clause has been removed. Mr. Daugherty asked if we are concerned about Dunkin' Donuts Center Presents. Mr. Duffy said that we think it is something that we have to do in order to get talent into the building.

Mr. McCarvill stated that he and Ms. Sullivan have had several meetings at the Veteran's Cemetery in Exeter to discuss the installation of the Medal of Honor Wall. He said that he would keep the Board informed.

Mr. Duffy wished everyone a Merry Christmas and a Happy New Year. He asked if there was any new business. Hearing none he asked for a motion to adjourn. Upon a motion duly made by Mr. Fowler and seconded by Mr. Butler it was unanimously

VOTED: to adjourn at 10:23 a.m.